THE AMERICAN RECOVERY AND REINVESTMENT ACT WORKSHOP

Presented by U.S. Senator Patrick Leahy & Governor James Douglas March 30, 2009 - Brattleboro, Vermont

HEALTH, HUMAN SERVICES, LABOR & EDUCATION

The American Recovery and Reinvestment Act makes a muchneeded, historic investment in our nation's schools, health care system, and in the programs that help the needlest Americans. Providing necessary support to education, health, labor and human services will do more than create jobs today – it also will put the country back on a long-term path toward prosperity.

Families across America are struggling to make ends meet and many states are facing cuts to vital programs. This Act will make it easier for Vermont to maintain and strengthen those programs by easing the largest strains on Vermont's budget. Medicaid in Vermont will receive \$250 million through a temporary, across-the-board increase of the Federal Medical Assistance Percentage (FMAP) over two years.

With the dramatic rise in both food prices and unemployment, the current economic situation severely affects the food security of Vermont families. This Act strengthens the national nutrition safety net and helps provide unemployment assistance to Vermonters.

Schools in Vermont and across America have also faced many budget cuts and students and families are having difficulty meeting the rising costs of tuition. The American Recovery and Reinvestment Act helps our nation's schools by providing an infusion of over \$40 billion to Title I and IDEA programs to help disadvantaged youth and fund special education programs.

Specifically, the Act includes:

- \$250 million for aid to Vermont's Medicaid program making it easier for Vermont to maintain and strengthen the state's Medicaid program through a temporary, across-the-board increase of the Federal Medical Assistance Percentage(FMAP);
- Extension of COBRA benefits that will give workers the option continue their employer-provided health insurance through COBRA after their termination with 65 percent of the cost paid for by the federal government;
- \$2.85 billion for incentives toward the use of electronic health records, helping cut costs and create much needed jobs;
- \$25.6 million for Special Education Part B State Grants to help improve educational outcomes for individuals with disabilities, raising the federal contribution to nearly 40 percent;
- \$33.5 million for Title I Education for the Disadvantaged to help close the achievement gap and enable disadvantaged students to reach their potential;
- \$15.64 billion for Pell Grants This provision increases the Pell Grant financial aid award by \$500. College students qualifying for a Pell Grant could receive up to \$5,350 for 2009 and \$5,550 for 2010;
- \$96.1 million to Vermont through the State Fiscal Stabilization Funds to local school districts and public colleges and universities in Vermont and additional funding for other high-priority State needs;
- \$19.9 billion for SNAP benefits (Food Stamps), equaling a 13.6 percent increase in benefits for households. The average benefit for a household in Vermont would increase by \$32 a month and the average increase for seniors living alone would be \$20 per month;
- \$1.3 million to Vermont in State Employment Service Grants to match unemployed individuals to job openings through state employment service agencies and allow Vermont to provide customized reemployment services;
- \$1.5 million to Vermont in Dislocated Workers State Grants, particularly for grants that support immediate strategies for regions and communities to meet their need for skilled workers, as well as longer-term plans to build targeted industry clusters with better training and a more productive workforce;
- \$1.2 million to Vermont for Department of Labor's Adult State Grants and \$2.9 million to Vermont for Department of Labor's Youth State Grants;
- \$1.6 million to Vermont for Vocational Rehabilitation to help individuals with disabilities prepare for and sustain gainful employment;
- \$14 million to Vermont in Unemployment Insurance funding if the State fully enacts new UI modernization incentives.

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